

MNQUMA LOCAL MUNICIPALITY

BUDGET AND TREASURY OFFICE



FINAL MTREF BUDGET 2013-2016 TO THE COUNCIL 30 MAY 2013

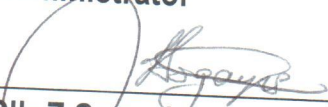
Compiled By:


B Mashiyi
Chief Financial Officer

Signed By:


V Zitumane
Administrator

Endorsed By:


Cllr Z Sogayise
Portfolio Head: Budget and Treasury Office

Recommended By:


Cllr B Ganjana
Executive Mayor

Below are the explanatory notes of the Expenditure budget:

1. Personnel Budget

- a) Expenditure on Personnel has been aligned with municipal staff keys book to avoid virements and adjustment that occurs during the year. Budget for personnel has been increased from R95m to R 113m. This is mainly to cater for the organogram that is currently being reviewed that will inevitably see an addition in the staffing of the municipality.
- b) The increase is also as a result of proposed salary increase of 6.85% for employees below section 56 and 5.3% for section 57 managers.
- c) Councillors' Allowances increase is as a result of proposed increment of 5.5%, in Gazette 35962. *Allowances for councillors increased from R20m to R21m.*

2. Budgeted non-cash items

These are non-cash items that are regulated by Generally Recognised Accounting Practice (**GRAP**) standards and include depreciation and provision for bad debts.

3. Finance Charges

Interest on overdue accounts and repayment of loan (vehicle finance lease) are budgeted under finance lease.

4. Bulk Purchases

Indigent subsidies are budgeted under this vote

5. Other Materials and Maintenance

R2.4m has been budgeted for computer repairs, road maintenance, street lights etc.

6. Contracted Services

Audit Committees' remuneration, Audit Fees, insurance premiums, legal fees, registration and licensing and also contemplated outsourcing of the security function are budgeted under this section.

Operating projects are funded by Equitable Share, FMG, MSIG, EPWP and MIG.

Attachment in **Annexure C**.

1. BELOW IS THE MTREF 2013-2016 OPERATING BUDGET AS PER SECTION 17(3) a (i)

EXECUTIVE I&E SUMMARY	2010/2011 AUDITED OUTCOMES	2011/2012 AUDITED OUTCOMES	2012/2013 APPROVED BUDGET	2012/2013 FORECAST	2013/2014 PROPOSED BUDGET	2014/2015 Indicative Budget	2015/2016 Indicative Budget
OPERATING REVENUE							
PROPERTY RATES							
PROPERTY RATES	(10,419,471)	(10,711,797)	(13,566,246)	(10,943,446)	(13,566,246)	(14,366,655)	(15,214,287)
REVENUE FOREGONE	(11,805,911)	(12,919,019)	(15,773,468)	(15,316,395)	(15,773,468)	(16,625,235)	(17,522,998)
	1,386,441	2,207,222	2,207,222	4,372,949	2,207,222	2,207,222	2,207,222
SERVICE CHARGES	(6,573,005)	(3,404,162)	(3,893,510)	(3,425,983)	(4,099,866)	(4,321,259)	(4,554,607)
SERVICE OF CHARGES-REFUSE	(6,573,005)	(3,404,162)	(3,893,510)	(3,425,983)	(4,099,866)	(4,321,259)	(4,554,607)
RENTAL OF FACILITIES AND EQUIPM	(2,291,300)	(2,180,122)	(2,205,117)	(2,178,444)	(2,321,988)	(2,447,376)	(2,579,534)
INTEREST EARNED-EXT INVESTMENTS	(2,061,428)	(4,055,587)	(2,258,000)	(3,316,116)	(2,500,000)	(2,635,000)	(2,777,290)
INTEREST EARNED-OUTSTANDING DEB	(968,163)	(1,049,353)	(945,933)	(2,332,409)	(1,573,407)	(1,658,371)	(1,747,923)
FINES	(891,258)	(1,753,778)	(1,563,096)	(1,271,066)	(1,645,940)	(1,734,821)	(1,828,501)
AGENCY SERVICES	(3,207,331)	(3,259,055)	(2,789,176)	(2,986,185)	(2,937,003)	(3,095,601)	(3,262,763)
TRAFFIC SERVICES	(1,239,516)	(1,239,516)	(1,326,980)	(809,909)	(1,026,497)	(1,081,928)	(1,140,352)
TRANSFERS RECOGNISED-OPERATIONAL	(117,253,133)	(115,310,853)	(153,903,071)	(164,009,245)	(167,913,538)	(197,635,787)	(242,584,359)
OTHER REVENUE	(420,724)	(407,792)	(4,146,965)	(3,949,483)	(492,927)	(519,545)	(547,601)
GAINS ON DISPOSAL OF PPE	-	(56,929)	(666,292)	(666,292)	(560,000)	(590,240)	(622,113)
TOTAL DIRECT REVENUE	(145,325,329)	(143,428,944)	(187,264,387)	(195,888,577)	(198,637,412)	(230,086,582)	(276,859,331)
OPERATING EXPENDITURE							
EMPLOYEE RELATED COSTS	83,932,744	78,797,613	94,940,754	89,286,832	113,714,596	117,909,675	124,276,797
EMPLOYEE RELATED COST-REMUNERAT	70,649,059	66,352,890	78,409,728	73,669,197	93,541,633	96,992,505	102,230,100
EMPLOYEE RELATED COST-SOCIAL CO	13,283,685	12,444,724	16,531,026	15,617,635	20,172,963	20,917,170	22,046,697
REMUNERATION OF COUNCILLORS	13,651,068	15,810,658	20,088,686	19,079,189	21,091,173	22,230,096	23,430,522
DEBT IMPAIRMENT	9,780,251	4,833,185	3,500,000	3,500,000	4,833,185	5,094,177	5,369,263
DEPRECIATION & ASSET IMPAIRMENT	20,646,217	33,898,322	3,536,649	2,987,285	31,544,564	33,247,970	35,043,361
FINANCE CHARGES	2,280,115	2,467,159	4,371,705	3,178,555	3,167,889	3,338,955	3,519,259
BULK PURCHASES	3,372,475	1,351,059	4,000,000	727,011	4,000,000	4,216,000	4,443,664
OTHER MATERIALS	20,873,057	3,163,366	6,677,292	4,479,552	6,068,537	6,396,238	6,741,635
CONTRACTED SERVICES	5,853,768	7,535,631	10,386,073	8,679,548	8,322,483	8,771,897	9,245,579
TRANSFERS AND GRANTS	-	-	15,905,000	22,750,903	17,998,000	16,234,212	17,062,879
OTHER EXPENDITURE	12,319,081	15,597,672	23,858,228	20,393,566	24,128,492	25,389,271	26,760,291
LOSS ON DISPOSAL OF PPE	-	-	-	-	-	-	-
CONTRIBUTION TO CAPEX	-	-	-	-	-	-	-
TOTAL: DIRECT EXPENDITURE	172,708,776	163,454,665	187,264,387	175,062,441	234,868,919	242,828,491	255,893,250
(SURPLUS)/DEFICIT	27,383,447	20,025,721	0	(20,826,136)	36,231,507	12,741,910	(20,966,081)
OTHER TRANSFERS AFTER SURPLUS/DEFICIT							
TRANSFERS RECOGNISED-CAPITAL (R	(36,264,028)	(28,388,162)	(71,757,929)	(74,353,356)	(72,638,462)	(81,460,293)	(98,007,821)
CONTRIBUTIONS RECOGNISED-CAPITA	(14,092,515)	(11,467,453)	(6,655,000)	(35,267,762)	(7,870,000)	(8,294,980)	(8,742,909)
CONTRIBUTED ASSETS	-	-	-	-	-	-	-
TRANSFER TO RESERVES	-	-	-	-	-	-	-
SURPLUS/(DEFICIT) AFTER CAPITAL	(50,356,543)	(39,855,615)	(78,412,929)	(130,447,254)	(80,508,462)	(89,755,273)	(106,750,730)

Table below summarizes the operating projects for the next three years

MTREF OPERATING PROJECTS PER DIRECTORATE 2013-2016

OPERATING PROJECTS PER DIRECTORATE			
DIRECTORATE	2013/2014	2014/2015	2015/2016
Office Of The Municipal Manager	500 000	526 500	552 825
Local Economic Development	1 350 000	1 421 550	1 492 628
Infrastructural Planning And Development	6 310 538	5 590 571	10 863 943
Community Services	3 270 000	3 443 310	3 615 476
Budget And Treasury	2 910 000	3 030 335	3 144 309
Corporate Services	7 068 000	7 442 604	7 814 732
TOTAL	21 408 538	21 454 870	27 483 913

SUMMARY OF MTREF OPERATING PROJECTS PER FUNDING SOURCE 2013-2016

OPERATING PROJECTS PER FUNDING SOURCE			
FUNDING	2013/2014	2014/2015	2015/2016
Municipal Systems Improvement Grant	890 000	934 000	967 000
Equitable Share	14 558 000	15 329 574	16 096 053
Finance Management Grant	1 550 000	1 600 000	1 650 000
Municipal Infrastructure Grant	3 410 538	3 591 296	3 770 861
Expanded Public Works Programme	1 000 000	-	-
Electricity Demandside Management Grant	-	-	5 000 000
TOTAL	21 408 538	21 454 870	27 483 913

SUMMARY OF MTREF OPERATING PROJECTS PER CLUSTER

OPERATING PROJECTS PER CLUSTER

CLUSTER	2013/2014	2014/2015	2015/2016
Basic Service Delivery and Infrastructure Development	6 110 538	5 381 396	10 650 446
Financial Viability and Management	1 400 000	1 472 775	1 540 257
Good Governance and Public Participation	5 510 000	5 789 914	6 062 189
Local Economic Development (Socio-economic Development)	3 420 000	2 601 260	3 781 323
Municipal Transformation & Institutional Development	4 968 000	5 209 525	5 449 679
TOTAL	21 408 538	21 454 870	27 483 913

SUMMARY OF MTREF OPERATING PROJECTS PER IDP OBJECTIVE

IDP OBJECTIVE	2013/2014	2014/2015	2015/2016
Improve internal controls for clean administration purposes by continuous implementation of policies and legislation by June 2017	1 490 000	1 556 874	1 617 476
Improve law enforcement mechanisms through partnerships with other law enforcement agencies and enhancing the Implementation of municipal by-laws, regulations and legislation by June 2017	100 000	105 300	110 565
Improve the participation of communities and stakeholders in the affairs of the municipality by developing and implementing mechanisms and systems for community participation by June 2017	1 700 000	1 790 100	1 879 605
To create a learning organization through building capacity of human capital internally and externally thereby improving the skills base of the municipality by June 2017	3 818 000	3 998 575	4 178 181
To ensure adequate transportation system for the efficient movement of goods and people by 2017	4 410 538	3 591 296	3 770 861
To establish and maintain a fully functional, responsive and accountable administration by adhering to the prescripts of Municipal legislation by 2017	1 150 000	1 210 950	1 271 498
To facilitate the Development of Land in a sustainable manner by June 2017	500 000	526 500	552 825
To have an Integrated plan for the development, maintenance and management of public amenities by June 2017	1 200 000	1 263 600	1 326 780
To improve municipal planning processes with the aim of sustaining credibility of the IDP and Budget by adhering to legislative prescripts and policies by June 2017	1 270 000	1 337 310	1 404 176

IDP OBJECTIVE	2013/2014	2014/2015	2015/2016
To improve Solid waste and Environmental Management in line with the applicable legislation by June 2017	1 970 000	2 074 410	2 178 131
To improve the economic development within Mngquma Municipality by 2017	1 350 000	1 421 550	1 492 628
To increase institutions revenue by 20% by ensuring full implementation of revenue strategy by June 2017	1 400 000	1 427 775	1 540 257
To manage institutional performance through implementation of PMS Regulations, Framework, Policy and Procedures by June 2017	1 050 000	1 105 650	1 160 933
To facilitate access to households with energy to 100% by 2012			5 000 000
TOTAL	21 408 538	21 454 870	27 483 914

OTHER EXPENDITURE

Administration Cost has increased from R 23 858 288 to 24 128 492.

General items such as advertising, telephone, fuel, subsistence and travel, sundries etc. are budgeted under this category.

BELOW IS THE MTREF 2013-2016 CAPITAL BUDGET AS PER SECTION 17(3) a (i)

Capital budget has been allocated such that service delivery directorates receives better share than support Directorates. Capital budget has increased from **R 78 412 929 to R80 508 462**. More detail is **Annexure D**

BELOW IS THE SUMMARY OF MTREF CAPITAL BUDGET 2013-2016 AS PER SECTION 17(2)

CAPITAL PROJECTS PER DIRECTORATE

DIRECTORATE	2013/2014	2014/2015	2015/2016
OFFICE OF THE MUNICIPAL MANAGER	-	-	-
LOCAL ECONOMIC DEVELOPMENT	550,000	579,150	608,108
INFRASTRUCTURAL PLANNING AND DEVELOPMENT	76,778,462	85,763,139	94,891,943
COMMUNITY SERVICES	1,500,000	1,579,500	1,658,475
BUDGET AND TREASURY	480,000	505,440	530,712
CORPORATE SERVICES	1,200,000	1,263,600	1,326,780
TOTAL PER DIRECTORATE	80,508,462	89,690,829	99,016,018

CAPITAL BUDGET BY FUNDING SOURCES

FUNDING SOURCE	2013/2014	2014/2015	2015/2016
Equitable Share	7 870 000	8 287 110	8 701 466
Integrated National Electrification Programme	20 000 000	25 000 000	30 000 000
Municipal Infrastructure Grant	52 638 462	56 403 719	60 314 552
TOTAL	80 508 462	89 690 829	99 016 018

CAPITAL BUDGET PER CLUSTER

CLUSTER	2013/2014	2014/2015	2015/2016
Basic Service Delivery and Infrastructure Development	76 188 462	85 141 869	94 239 610
Financial Viability and Management			
Good Governance and Public Participation			
Local Economic Development (Socio-economic Development)	1 000 000	1 579 500	1 658 475
Municipal Transformation & Institutional Development	2 820 000	2 969 460	3 117 933
TOTAL	80 508 462	89 690 829	99 016 018

BELOW IS A SUMMARY OF THE MTREF BUDGET FOR 2013-2016 AS PER MUNICIPAL BUDGET AND REPORTING REGULATIONS FORMATS

EC122 Mquma - Table A1 Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	19 299	10 419	10 712	13 566	13 566	13 566	-	13 566	14 418	15 316
Service charges	2 723	3 287	3 404	3 894	3 894	3 894	-	4 100	4 321	4 555
Investment revenue	2 398	3 007	4 056	2 258	2 916	2 916	-	2 500	2 635	2 777
Transfers recognised - operational	123 824	154 433	115 311	153 903	165 582	165 582	-	167 914	197 636	242 584
Other own revenue	6 467	6 709	9 947	13 644	14 884	14 884	-	10 558	11 128	11 729
Total Revenue (excluding capital transfers and contributions)	154 710	177 856	143 429	187 264	200 842	200 842	-	198 637	230 138	276 961
Employee costs	60 141	73 322	78 798	94 941	97 152	97 152	-	113 715	119 855	126 327
Remuneration of councillors	16 510	15 448	15 811	20 089	20 089	20 089	-	21 091	22 230	23 431
Depreciation & asset impairment	554	20 646	33 898	3 537	3 537	3 537	-	31 545	33 248	35 043
Finance charges	649	446	2 467	4 372	5 312	5 312	-	3 168	3 339	3 519
Materials and bulk purchases	8 858	23 174	4 514	10 677	8 761	8 761	-	10 069	10 612	11 185
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	39 483	39 545	27 966	53 649	65 992	65 992	-	55 282	55 490	58 438
Total Expenditure	126 195	172 583	163 455	187 265	200 842	200 842	-	234 869	244 774	257 944
Surplus/(Deficit)	28 515	5 273	(20 026)	(0)	(0)	(0)	-	(36 232)	(14 636)	19 017
Transfers recognised - capital	-	-	28 388	71 758	74 126	74 126	-	72 638	81 460	98 008
Contributions recognised - capital & contributed a	-	-	-	6 655	34 700	34 700	-	7 870	8 295	8 743
Surplus/(Deficit) after capital transfers & contributions	28 515	5 273	8 362	78 413	108 825	108 825	-	44 277	75 119	125 768
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	28 515	5 273	8 362	78 413	108 825	108 825	-	44 277	75 119	125 768
Capital expenditure & funds sources										
Capital expenditure	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Transfers recognised - capital	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Financial position										
Total current assets	61 099	29 268	47 288	162 294	162 294	162 294	-	162 429	171 037	180 102
Total non current assets	445 913	283 207	-	80 121	111 785	111 785	-	289 036	304 354	320 485
Total current liabilities	69 428	695	-	53 754	53 754	53 754	-	29 093	33 075	34 831
Total non current liabilities	6 931	-	-	7 278	7 278	7 278	-	1 911	2 013	2 119
Community wealth/Equity	32 106	272 028	-	128 825	128 825	503 434	-	420 460	442 744	466 209
Cash flows										
Net cash from (used) operating	-	31 076	-	62 876	62 876	62 876	-	146	23 706	59 430
Net cash from (used) investing	-	(35 164)	(28 420)	(78 413)	(110 077)	(110 077)	-	(79 948)	(89 101)	(98 394)
Net cash from (used) financing	-	(615)	-	(815)	(815)	(815)	-	-	-	-
Cash/cash equivalents at the year end	-	(4 703)	(33 123)	3 648	(48 015)	(48 015)	-	49 795	(15 600)	(54 564)
Cash backing/surplus reconciliation										
Cash and investments available	36 316	12 602	47 288	39 310	39 310	39 310	-	49 795	52 434	55 213
Application of cash and investments	25 543	(189 956)	-	(35 518)	(32 056)	(32 056)	-	(80 269)	(84 541)	(89 039)
Balance - surplus (shortfall)	10 773	202 558	47 288	74 828	71 366	71 366	-	130 063	136 975	144 252
Asset management										
Asset register summary (WDV)	236	184	-	-	-	-	-	-	-	-
Depreciation & asset impairment	554	20 646	33 898	3 537	3 537	3 537	31 545	31 545	33 248	35 043
Renewal of Existing Assets	-	-	-	-	-	-	-	53 228	56 969	60 846
Repairs and Maintenance	5 801	20 336	7 462	6 677	4 761	2 502	6 069	6 069	6 396	6 742
Free services										
Cost of Free Basic Services provided	132	132	132	132	132	132	132	132	132	132
Revenue cost of free services provided	2 100	2 100	2 100	2 100	2 100	2 100	2 100	2 100	2 100	2 100
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	943	943	943	943	943	943	943	943	943	943

EC122 Mquma - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard											
Governance and administration			148 356	133 759	131 684	176 576	189 413	189 413	183 756	215 507	261 539
Executive and council			-	-	333	3 057	2 895	2 895	-	-	-
Budget and treasury office			148 356	133 759	129 970	172 701	185 561	185 561	183 746	215 463	261 461
Corporate services			-	-	1 381	818	957	957	10	43	79
Community and public safety			3 692	4 546	5 934	5 569	5 780	5 780	5 914	6 233	6 570
Community and social services			-	-	-	-	-	-	50	53	56
Sport and recreation			-	-	-	-	-	-	-	-	-
Public safety			3 692	4 546	5 934	5 318	5 584	5 584	5 600	5 902	6 221
Housing			-	-	-	251	197	197	264	278	293
Health			-	-	-	-	-	-	-	-	-
Economic and environmental services			-	36 264	154	1 172	1 671	1 671	4 811	4 016	4 233
Planning and development			-	-	-	-	-	-	-	-	-
Road transport			-	36 264	154	1 172	1 671	1 671	4 811	4 016	4 233
Environmental protection			-	-	-	-	-	-	-	-	-
Trading services			2 723	3 287	3 404	3 948	3 978	3 978	4 157	4 382	4 618
Electricity			-	-	-	-	-	-	-	-	-
Water			-	-	-	-	-	-	-	-	-
Waste water management			-	-	-	-	-	-	-	-	-
Waste management			2 723	3 287	3 404	3 948	3 978	3 978	4 157	4 382	4 618
Other		4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		2	154 771	177 855	141 176	187 264	200 842	200 842	198 637	230 138	276 961
Expenditure - Standard											
Governance and administration			84 168	101 899	76 275	106 388	116 013	116 013	101 051	106 142	111 825
Executive and council			22 996	24 213	26 471	34 500	39 685	39 685	33 533	35 121	37 018
Budget and treasury office			47 381	59 570	31 075	35 892	36 384	36 384	36 410	38 200	40 182
Corporate services			13 792	18 116	18 728	35 997	39 944	39 944	31 108	32 821	34 626
Community and public safety			20 821	26 828	22 928	29 648	30 883	30 883	37 734	39 771	41 919
Community and social services			-	-	-	-	-	-	-	-	-
Sport and recreation			-	-	-	-	-	-	-	-	-
Public safety			12 021	20 997	17 908	23 450	24 844	24 844	31 470	33 170	34 961
Housing			6 126	5 495	5 019	6 198	6 039	6 039	6 264	6 602	6 958
Health			2 675	337	-	-	-	-	-	-	-
Economic and environmental services			11 826	32 443	50 510	33 968	37 791	37 791	78 657	80 492	84 839
Planning and development			2 993	5 772	5 467	11 275	14 927	14 927	19 334	20 600	21 713
Road transport			8 833	26 671	45 044	22 693	22 865	22 865	59 323	59 892	63 126
Environmental protection			-	-	-	-	-	-	-	-	-
Trading services			9 381	11 414	13 742	17 261	16 154	16 154	17 428	18 369	19 361
Electricity			-	-	-	-	-	-	-	-	-
Water			-	-	-	-	-	-	-	-	-
Waste water management			-	-	-	-	-	-	-	-	-
Waste management			9 381	11 414	13 742	17 261	16 154	16 154	17 428	18 369	19 361
Other		4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		3	126 196	172 583	163 455	187 264	200 842	200 842	234 869	244 774	257 944
Surplus/(Deficit) for the year			28 574	5 272	(22 278)	0	(0)	(0)	(36 232)	(14 636)	19 017

EC122 Mquma - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote		1									
Vote 1 - OFFICE OF THE MAYOR			-	-	-	-	-	-	-	-	-
Vote 2 - OFFICE OF THE SPEAKER			-	-	-	-	-	-	-	-	-
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER			-	-	-	-	-	-	-	-	-
Vote 5 - LOCAL ECONOMIC DEVELOPMENT			-	-	-	-	-	-	-	-	-
Vote 6 - BUDGET AND TREASURY OFFICE			116 552	133 759	129 872	172 701	185 561	185 561	183 746	215 463	261 461
Vote 7 - CORPORATE SERVICES			129	-	1 381	818	957	957	9	43	78
Vote 8 - INFRASTRUCTURAL PLANNING AND DEV			31 249	36 264	154	4 480	4 763	4 763	5 075	4 295	4 526
Vote 9 - COMMUNITY SERVICE			6 841	7 833	8 427	9 266	9 561	9 561	9 807	10 337	10 895
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	154 771	177 856	139 834	187 264	200 842	200 842	198 637	230 138	276 961
Expenditure by Vote to be appropriated		1									
Vote 1 - OFFICE OF THE MAYOR			5 034	6 452	4 603	5 886	7 258	7 258	5 364	5 654	5 959
Vote 2 - OFFICE OF THE SPEAKER			11 500	11 633	12 991	15 844	17 197	17 197	17 041	17 961	18 931
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER			4 498	1 796	6 849	9 712	12 335	12 335	10 917	11 506	12 128
Vote 5 - LOCAL ECONOMIC DEVELOPMENT			4 369	5 772	5 467	11 275	14 927	14 927	5 463	5 758	6 069
Vote 6 - BUDGET AND TREASURY OFFICE			48 538	59 570	31 075	35 892	36 384	36 384	36 410	38 200	40 182
Vote 7 - CORPORATE SERVICES			12 722	18 116	18 728	35 997	39 943	39 943	45 190	47 663	50 270
Vote 8 - INFRASTRUCTURAL PLANNING AND DEV			33 412	57 698	9 708	31 948	31 799	31 799	65 587	66 494	70 084
Vote 9 - COMMUNITY SERVICE			26 240	32 747	-	40 711	40 999	40 999	48 898	51 538	54 321
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	146 314	193 784	89 421	187 264	200 841	200 841	234 869	244 774	257 944
Surplus/(Deficit) for the year		2	8 457	(15 929)	50 413	0	1	1	(36 232)	(14 636)	19 016

EC122 Mquma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	19 299	10 419	10 712	13 566	13 566	13 566	–	13 566	14 418	15 316
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	2 723	3 287	3 404	3 894	3 894	3 894	–	4 100	4 321	4 555
Service charges - other											
Rental of facilities and equipment		2 221	2 148	2 180	2 205	2 205	2 205		2 322	2 447	2 580
Interest earned - external investments		2 398	3 007	4 056	2 258	2 916	2 916		2 500	2 635	2 777
Interest earned - outstanding debtors		–	–	1 049	946	2 332	2 332		1 573	1 658	1 748
Dividends received		–	–	–	–	–	–		–	–	–
Fines		990	890	1 754	1 563	1 563	1 563		1 646	1 735	1 829
Licences and permits		3 128	3 031	3 259	2 789	3 062	3 062		2 937	1 082	1 140
Agency services			626	1 240	1 327	995	995		1 026	3 096	3 263
Transfers recognised - operational		123 824	154 433	115 311	153 903	165 582	165 582		167 914	197 636	242 584
Other revenue	2	129	15	408	4 147	4 059	4 059	–	493	520	548
Gains on disposal of PPE				57	666	666			560	590	622
Total Revenue (excluding capital transfers and contributions)		154 710	177 856	143 429	187 264	200 842	200 842	–	198 637	230 138	276 961
Expenditure By Type											
Employee related costs	2	60 141	73 322	78 798	94 941	97 152	97 152	–	113 715	119 855	126 327
Remuneration of councillors		16 510	15 448	15 811	20 089	20 089	20 089		21 091	22 230	23 431
Debt impairment	3	20 647	9 780	4 833	3 500	3 500	3 500		4 833	5 094	5 369
Depreciation & asset impairment	2	554	20 646	33 898	3 537	3 537	3 537	–	31 545	33 248	35 043
Finance charges		649	446	2 467	4 372	5 312	5 312		3 168	3 339	3 519
Bulk purchases	2	3 057	2 839	1 351	4 000	4 000	4 000	–	4 000	4 216	4 444
Other materials	8	5 801	20 336	3 163	6 677	4 761	4 761		6 069	6 396	6 742
Contracted services		–	–	3 907	5 456	7 762	7 762	–	5 221	5 503	5 801
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	18 836	29 765	19 226	44 693	54 730	54 730	–	45 228	44 892	47 268
Loss on disposal of PPE											
Total Expenditure		126 195	172 583	163 455	187 265	200 842	200 842	–	234 869	244 774	257 944
Surplus/(Deficit)		28 515	5 273	(20 026)	(0)	(0)	(0)	–	(36 232)	(14 636)	19 017
Transfers recognised - capital				28 388	71 758	74 126	74 126		72 638	81 460	98 008
Contributions recognised - capital	6	–	–	–	6 655	34 700	34 700	–	7 870	8 295	8 743
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		28 515	5 273	8 362	78 413	108 825	108 825	–	44 277	75 119	125 768
Taxation											
Surplus/(Deficit) after taxation		28 515	5 273	8 362	78 413	108 825	108 825	–	44 277	75 119	125 768
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		28 515	5 273	8 362	78 413	108 825	108 825	–	44 277	75 119	125 768
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		28 515	5 273	8 362	78 413	108 825	108 825	–	44 277	75 119	125 768

EC122 Mquma - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Table 2: Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - OFFICE OF THE MAYOR		23	18	335	-	450	450	-	-	-	-
Vote 2 - OFFICE OF THE SPEAKER		7	15	107	-	-	-	-	-	-	-
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		-	-	472	300	2 390	2 390	-	-	-	-
Vote 5 - LOCAL ECONOMIC DEVELOPMENT		59	31	35	30	1 080	1 080	-	-	-	-
Vote 6 - BUDGET AND TREASURY OFFICE		188	599	206	30	246	246	-	550	579	608
Vote 7 - CORPORATE SERVICES		160	500	1 127	2 195	1 438	1 438	-	480	505	531
Vote 8 - INFRASTRUCTURAL PLANNING AND DEV		33 634	29 746	41 079	74 708	96 949	96 949	-	1 200	1 264	1 327
Vote 9 - COMMUNITY SERVICE		1 035	427	1 209	1 150	6 273	6 273	-	76 778	85 763	94 892
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	1 500	1 580	1 658
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	35 105	31 337	44 571	78 413	108 825	108 825	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - OFFICE OF THE MAYOR		-	-	-	-	-	-	-	80 508	89 691	99 016
Vote 2 - OFFICE OF THE SPEAKER		-	-	-	-	-	-	-	-	-	-
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 5 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 6 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 7 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - INFRASTRUCTURAL PLANNING AND DEV		-	-	-	-	-	-	-	-	-	-
Vote 9 - COMMUNITY SERVICE		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		35 105	31 337	44 571	78 413	108 825	108 825	-	-	-	-
Capital Expenditure - Standard											
Governance and administration		437	1 133	1 775	53 283	55 444	55 444	-	80 508	89 691	99 016
Executive and council		89	33	442	51 058	53 759	53 759	-	1 680	1 769	1 857
Budget and treasury office		188	599	206	30	246	246	-	-	-	-
Corporate services		160	500	1 127	2 195	1 438	1 438	-	480	505	531
Community and public safety		857	427	1 209	1 150	6 273	6 273	-	1 200	1 264	1 327
Community and social services		857	427	1 209	1 150	6 273	6 273	-	1 500	1 580	1 658
Sport and recreation		-	-	-	-	-	-	-	1 500	1 580	1 658
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		33 811	29 777	41 586	23 980	47 109	47 109	-	-	-	-
Planning and development		-	31	35	30	1 080	1 080	-	77 328	86 342	95 500
Road transport		33 811	29 746	41 551	23 950	46 029	46 029	-	550	579	608
Environmental protection		-	-	-	-	-	-	-	76 778	85 763	94 892
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Funded by:											
National Government		35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Provincial Government		-	-	-	-	-	-	-	80 508	89 691	99 016
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-
Total Capital Funding	7	35 105	31 337	44 570	78 413	108 825	108 825	-	80 508	89 691	99 016

EC122 Mnquma - Table A6 Budgeted Financial Position

2012/13 Medium Term Budgeted Financial Position											
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		19 515	12 602	47 288	10 069	10 069	10 069		49 795	52 434	55 213
Call investment deposits	1	19 515	–	–	29 241	29 241	29 241	–	–	–	–
Consumer debtors	1	13 404	2 519	–	122 985	122 985	122 985	–	112 634	118 604	124 890
Other debtors		8 664	14 142								
Current portion of long-term receivables		–	4								
Inventory	2	–									
Total current assets		61 099	29 268	47 288	162 294	162 294	162 294	–	162 429	171 037	180 102
Non current assets											
Long-term receivables		148 480									
Investments		–									
Investment property											
Investment in Associate											
Property, plant and equipment	3	148 716	283 023	–	80 121	111 785	111 785	–	289 036	304 354	320 485
Agricultural											
Biological											
Intangible		236	184								
Other non-current assets		148 480									
Total non current assets		445 913	283 207	–	80 121	111 785	111 785	–	289 036	304 354	320 485
TOTAL ASSETS		507 012	312 474	47 288	242 416	274 080	274 080	–	451 464	475 392	500 588
LIABILITIES											
Current liabilities											
Bank overdraft	1	2 715									
Borrowing	4	584	–	–	854	854	854	–	854	3 339	3 519
Consumer deposits		35 301									
Trade and other payables	4	29 451	–	–	52 899	52 899	52 899	–	28 239	29 736	31 312
Provisions		1 377	695								
Total current liabilities		69 428	695	–	53 754	53 754	53 754	–	29 093	33 075	34 831
Non current liabilities											
Borrowing		3 205	–	–	3 365	3 365	3 365	–	1 911	2 013	2 119
Provisions		3 727	–	–	3 913	3 913	3 913	–	–	–	–
Total non current liabilities		6 931	–	–	7 278	7 278	7 278	–	1 911	2 013	2 119
TOTAL LIABILITIES		76 360	695	–	61 031	61 031	61 031	–	31 005	35 087	36 950
NET ASSETS	5	430 652	311 779	47 288	181 385	213 048	213 048	–	420 460	440 304	463 637
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		32 106	272 028		128 825	128 825	503 434		420 460	442 744	466 209
Reserves	4	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	32 106	272 028	–	128 825	128 825	503 434	–	420 460	442 744	466 209

EC122 Mnquma - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other			232 754		21 882	21 882	21 882		26 650	28 209	29 851
Government - operating	1				131 439	131 439	131 439		167 914	197 636	242 584
Government - capital	1				62 876	62 876	62 876				
Interest			1 324		3 027	3 027	3 027		4 073	4 293	4 525
Dividends					-	-	-				
Payments											
Suppliers and employees			(202 612)		(105 012)	(105 012)	(105 012)		(195 323)	(203 093)	(214 012)
Finance charges			(390)		(2 523)	(2 523)	(2 523)		(3 168)	(3 339)	(3 519)
Transfers and Grants	1		-		(48 814)	(48 814)	(48 814)				
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	31 076	-	62 876	62 876	62 876	-	146	23 706	59 430
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	(28 420)					560	590	622
Decrease (Increase) in non-current debtors			-								
Decrease (increase) other non-current receivables			-								
Decrease (increase) in non-current investments			(58)								
Payments											
Capital assets			(35 105)		(78 413)	(110 077)	(110 077)		(80 508)	(89 691)	(99 016)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(35 164)	(28 420)	(78 413)	(110 077)	(110 077)	-	(79 948)	(89 101)	(98 394)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			(615)		(815)	(815)	(815)				
Borrowing long term/refinancing			-								
Increase (decrease) in consumer deposits			-								
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(615)	-	(815)	(815)	(815)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	(4 703)	(28 420)	(16 352)	(48 015)	(48 015)	-	(79 802)	(65 395)	(38 964)
Cash/cash equivalents at the year begin:	2		-	(4 703)	20 000			-	129 597	49 795	(15 600)
Cash/cash equivalents at the year end:	2	-	(4 703)	(33 123)	3 648	(48 015)	(48 015)	-	49 795	(15 600)	(54 564)

EC122 Mnquma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	–	(4 703)	(33 123)	3 648	(48 015)	(48 015)	–	49 795	(15 600)	(54 564)
Other current investments > 90 days		36 316	17 305	80 412	35 661	87 325	87 325	–	0	68 034	109 777
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		36 316	12 602	47 288	39 310	39 310	39 310	–	49 795	52 434	55 213
Application of cash and investments											
Unspent conditional transfers		12 271	–	–	2 000	2 000	2 000	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	13 272	(189 956)	–	(37 518)	(34 056)	(34 056)	–	(80 269)	(84 541)	(89 039)
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		25 543	(189 956)	–	(35 518)	(32 056)	(32 056)	–	(80 269)	(84 541)	(89 039)
Surplus(shortfall)		10 773	202 558	47 288	74 828	71 366	71 366	–	130 063	136 975	144 252

EC122 Mnquma - Table A9 Asset Management

LC122 Inquiry - Table A9 Asset Management										
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	44 184	44 570	—	78 413	108 825	—	27 280	32 721	38 170
Infrastructure - Road transport		22 940	35 818	—	43 878	52 287	—	3 500	3 741	3 990
Infrastructure - Electricity		1 700	5 732	—	25 200	27 406	—	20 000	25 000	30 000
Infrastructure - Water		—	—	—	—	—	—	—	—	—
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Infrastructure - Other		12 031	—	—	—	—	—	—	—	—
Infrastructure		36 671	41 551	—	69 078	79 693	—	23 500	28 741	33 990
Community		4 658	180	—	3 850	7 979	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets		2 855	2 839	—	4 690	20 120	—	3 280	3 454	3 627
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	795	1 033	—	500	527	553
Total Renewal of Existing Assets	2	—	—	—	—	—	—	53 228	56 969	60 846
Infrastructure - Road transport		—	—	—	—	—	—	50 228	53 755	57 409
Infrastructure - Electricity		—	—	—	—	—	—	—	—	—
Infrastructure - Water		—	—	—	—	—	—	—	—	—
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Infrastructure - Other		—	—	—	—	—	—	—	—	—
Infrastructure		—	—	—	—	—	—	50 228	53 755	57 409
Community		—	—	—	—	—	—	3 000	3 215	3 437
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets		—	—	—	—	—	—	—	—	—
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	—	—	—	—	—	—
Total Capital Expenditure	4	22 940	35 818	—	43 878	52 287	—	53 728	57 496	61 399
Infrastructure - Road transport		1 700	5 732	—	25 200	27 406	—	20 000	25 000	30 000
Infrastructure - Electricity		—	—	—	—	—	—	—	—	—
Infrastructure - Water		—	—	—	—	—	—	—	—	—
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Infrastructure - Other		12 031	—	—	—	—	—	—	—	—
Infrastructure		36 671	41 551	—	69 078	79 693	—	73 728	82 496	91 399
Community		4 658	180	—	3 850	7 979	—	3 000	3 215	3 437
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets		2 855	2 839	—	4 690	20 120	—	3 280	3 454	3 627
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		—	—	—	795	1 033	—	500	527	553
TOTAL CAPITAL EXPENDITURE - Asset class	2	44 184	44 570	—	78 413	108 825	—	80 508	89 691	99 016
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5									
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		—	—	—	—	—	—	—	—	—
Community		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets		—	—	—	—	—	—	—	—	—
Agricultural Assets		—	—	—	—	—	—	—	—	—
Biological assets		—	—	—	—	—	—	—	—	—
Intangibles		236	184	—	—	—	—	—	—	—
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	236	184	—	—	—	—	—	—	—
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		554	20 646	33 898	3 537	3 537	3 537	31 545	33 248	35 043
Repairs and Maintenance by Asset Class	3	5 801	20 336	7 462	6 677	4 761	2 502	6 069	6 396	6 742
Infrastructure - Road transport		4 040	17 700	3 163	2 709	1 709	—	2 200	2 319	2 444
Infrastructure - Electricity		379	473	1 222	550	550	—	530	559	589
Infrastructure - Water		—	—	—	—	—	—	—	—	—
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Infrastructure - Other		—	—	—	—	—	—	—	—	—
Infrastructure		4 420	18 172	4 385	3 259	2 259	—	2 730	2 877	3 033
Community		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Other assets		1 382	2 163	3 077	3 418	2 502	2 502	3 339	3 519	3 709
TOTAL EXPENDITURE OTHER ITEMS	6, 7	6 355	40 982	41 360	10 214	8 297	6 038	37 613	39 644	41 785
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	66.1%	63.5%	61.5%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	168.7%	171.3%	173.6%
R&M as a % of PPE		3.9%	7.2%	0.0%	8.3%	4.3%	2.2%	2.1%	2.1%	2.1%
Renewal and R&M as a % of PPE		2458.0%	11075.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

EC122 Mquma - Table A10 Basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets										
Water:	1									
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5									
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>										
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5									
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>										
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5									
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>										
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5									
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)										
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6									

TARIFF STRUCTURE as per Section 17(3) a (i)

Tariffs have not been increased or decreased due to low collection of rates and services. A new tariff has been introduced for the exclusive use of parks. The tariff has been set at R210 per day.

REVIEWED POLICIES

There are no changes in the budget related policies in the year under review

(iv) Staff implications

None

(v) Financial implications

1. Operating income budget has increased from **R 187 264 387 to R 198 637 412**
2. Operating Expenditure budget has been increased from **R 187 264 387 to R 234 868 919**
3. Capital Budget has increased from **R 78 412 929 to R 80 508 462**
4. Operating budget has a deficit of **R 36 231 507**

(vi) Annexures

- A Extract from Circular 67 (Salary and Wage Collective Agreement)
- B SALGA Gazette 35962
- C Draft Capital MTREF Budget 2013-2016 as per S17 (3) a (i) of the MFMA 56 of 2003
- D Draft Operating Projects MTREF budget 2013-2016
- E Draft Tariff Structure 2013-2014 as per S17 (3) a (ii) of the MFMA 56 of 2003
- F Comments from the National Treasury on the First Draft Budget

(vii) Recommendations

It is hereby recommended that Council approve the Final MTREF 2013-2016 Budget.

It is further recommended that the following resolutions be taken by the full council:

1. That in terms of section 24 of the MFMA Act 56 of 2003, the annual budget of the municipality for 2013-2016 and Capital appropriations are approved as set out in the following tables:
 - 1.1 Budgeted Financial Performance by standard classification of revenue of R 198 637 412 and Expenditure of R 234 868 919 (A2 circular 48) be approved.
 - 1.2 Budgeted Financial Performance by vote of revenue of R 198 637 412 and Expenditure of R 234 868 919 (A3 circular 48) be approved.
 - 1.3 Budgeted Financial Performance of revenue by source of R 198 637 412 and Expenditure of R 234 868 919 (A4 circular 48) be approved.
2. That the Financial Position, Cash flow and Service delivery targets are approved in the following tables:
 - 2.1 Capital Expenditure of R 80 508 462 (A5 Circular 48)
 - 2.2 Budgeted Financial Position of R423 086 000 (A6 circular 48)

- 2.3 Budgeted Cash flows (A7 circular 48)
- 2.4 Cash backed and accumulated surplus reconciliation (A8 circular 48)
- 2.5 Asset management (A9 circular 48)
- 2.6 Basic service delivery measures (A10 circular 48)
- 3. That in terms of S24(2)(c)(i) of the MFMA Act 56 of 2003 and Section 74 and 75 of the systems act of 2000 as amended; the tariffs of rates and services were used to prepare the estimates of revenue by source are approved with effect from 1 July 2013.
- 4. That in terms of section 5 of Property Rates Act 6 of 2004, no amendments in the property rates policy.
- 5. That in terms of section 24(2)(c)(iii) of the MFMA Act 56 of 2003, the measurable performance objectives for operating and capital budget by vote for each year of the MTREF as set out in supporting table are approved.
- 6. That free basic package as set out in the budget is approved.
- 7. That in terms of 24(2)(c) (v) of the MFMA 56 of 2003 the following policies are part of budget process and were used in the preparation of the budget:
 - Budget Policy
 - Indigent policy and By- law
 - Property rates policy and By-law
 - Tariff policy and By -law
 - Bad debts policy
 - Provision for Bad Debt policy
 - Asset management Policy
 - Credit Control and Debt Management Policy and By Law